

## § 1427.1309

(b) The total payment quantity of cottonseed (ton-basis) shall be calculated by CCC by multiplying the weight of cotton lint (ton-basis) for which payment is requested by all applicants, as approved by CCC, by the Olympic average of estimated pounds of cottonseed per pound of ginned cotton lint, excluding the highest and lowest years' production, as determined by CCC for the 5 years preceding the 2005 crop.

### § 1427.1309 Payment rate.

The payment rate (dollars per ton) for the purpose of calculating payments made available in accordance in this subpart shall be determined by CCC by dividing the total available program funds, less an amount reserved for approved corrections, by the total eligible payment quantity of cottonseed. However, in no event may the total payment to an eligible applicant exceed the national average price of 2005 crop cottonseed as determined by CCC, or \$98 per ton, multiplied by the applicant's total eligible payment quantity.

### § 1427.1310 Payment calculation and form.

(a) Payment in accordance in subpart shall be determined for individual applicants by multiplying:

(1) The payment rate as determined in subpart §1427.1309 by

(2) The eligible payment quantity of the applicant was determined in §1427.1308 and other provisions in this part.

(b) After receipt of the application for payment, CCC will issue payments to the applicant by electronic funds transfer to the applicant's account except that applicants may request payment be made by mailed check.

### § 1427.1311 Liability of first handler.

(a) If any person makes any erroneous or fraudulent representation in obtaining a cottonseed payment in this part, or in connection with such a payment engages in a scheme or device that tends to defeat the purposes of this program, the person shall be liable to CCC for the amount of the payment and interest on such payment as determined by CCC. Such remedy will be in

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addition to whatever additional remedies may be allowed by law.

(b) If more than one person executes a program payment application with CCC on the same quantity and payments are made there under, each such person shall be jointly and severally liable for any violation of the terms and conditions for any payment made to anyone under that application or for any refund due from any person signing that application. Such liability shall remain until payment in full is made of any such refund and its related charges.

(c) If a person receives a program payment in excess of the amount authorized in this subpart, that person shall refund to CCC an amount equal to the excess payment, plus interest thereon, as determined by CCC.

(d) For three years after the date of the application for 2005-crop payments, the applicant shall keep records, including records supporting the quantity of cottonseed for which payment was requested, and furnish such information and reports relating to the application to CCC as requested. Such records shall be available at all reasonable times for an audit or inspection by authorized representatives of CCC, United States Department of Agriculture, or the Comptroller General of the United States. Failure to keep, or make available, such records may result in refund to CCC of all payment received, plus interest thereon, as determined by CCC. In the event of a controversy concerning payments, records must be kept for such longer period as may be specified by CCC until such controversy is resolved. Destruction of records at any time is at the risk of the applicant.

## PART 1430—DAIRY PRODUCTS

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Sec.

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